

## **University of Northern Iowa**

### **Impacts of Economic Development Programs**

#### **Recent outcomes from Grow Iowa Values Fund (GIVF) projects:**

**GIVF supports (at UNI):** Tech transfer and business incubation, entrepreneurship (MyEntre.Net), market research for Iowa companies, regional development, biobased industrial lubricants (NABL)

- UNI incubation programs and MyEntreNet helped 179 small businesses start or expand - creating 263 jobs in FY10
- GIVF support is used as match to secure funding from federal and private sources - at least 2:1 and in some cases 4:1
- MyEntre.Net has 9,500 registered users and is providing the background data for the proposed Iowa Innovation Council guidebook for entrepreneurs and online database.
- Regional development has been supported in 13 regions across Iowa and new metrics have been developed to track progress and provided to IDED
- A new guidebook was developed for IWD to help communities or regions deal with mass layoffs or plant closures
- Market research was provided to 11 Iowa companies. Past success indicates a 16% increase in sales due to market research projects
- New ag-based lubricants have been developed and a novel microwave grease blending process has been created and is being commercialized by AMTek in Cedar Rapids
- Statewide needs assessment and economic impact survey of small business owners conducted and results shared with service providers throughout the state.
- EntreFest! statewide conference hosted in Dubuque, attracting 225 small business owners
- Dream Big Grow Here online entrepreneur contests developed, attracting six statewide sponsors and seven regional sponsors
- Five late-stage faculty research projects were recently awarded – all with commercial potential

#### **If GIVF is Eliminated and Economic Development Program Support is Reduced**

- Intellectual property and tech transfer will be drastically reduced or eliminated
- 4th St Incubator in Waterloo will close - this incubator has graduated 45 companies into the economy
- MyEntreNet will need to scale back the business concierge (economic gardening) service and reduce support for entrepreneurs in Iowa
- The popular Dream Big Grow Here entrepreneur contest will be eliminated at the end of 2011
- EntreFest, the statewide traveling conference for small business will be abbreviated or eliminated
- The statewide survey and needs assessment of Iowa entrepreneurs will be discontinued.
- Regional development support will be reduced by 75%
- Reduced-cost market research projects for Iowa companies will be eliminated

- National Ag-based Lubricants will reduce important biobased lubricant research and product development and lose a 4:1 match provided by the US Dept of Energy
- Fees for services will be increased, with the most substantial impact on small companies and rural regions
- Projects will be pursued in other states to generate income so UNI can continue to serve Iowa clients
- Staff positions will be eliminated from UNI economic development programs that support businesses, entrepreneurs and communities
- Federal funding and competitive grants for economic development assistance and business development will be reduced due to a lack of matching funds

### **Institute for Decision Making (IDM) - Impacts**

- Statewide - IDM has assisted economic development groups in all Iowa counties and provides technical assistance to small rural communities and the metros in Iowa – nearly 2/3 of Iowa communities have been assisted
- Planning - IDM provides a cost-effective approach to planning. IDM's services are unique due to extensive expertise in economic development, previous work in the trenches and a practical and hands-on approach
- Comprehensive - IDM provides comprehensive statewide technical assistance for local and regional development groups through experienced economic development professionals
- Innovative – IDM created the laborshed approach, assisted with development of the skill shed approach, helped revise the job vacancy survey and benefit survey, refined targeting and cluster approaches, and developed a streamlined economic impact assessment tool
- Training - for new development professionals and boards - most rely on IDM
- Long-term relationships - many PDI members have been clients for 10-20 years
- Partial state funding support for IDM is a small investment for the state's economic development programming
- State funding for IDM has been reduced by 70% over the past 10 years, staffing has been reduced and fees have been charged to community clients of all sizes

### **Metal Casting Center - Impacts**

- Full service center for research and technical assistance to Iowa foundries and foundry suppliers- assists 75% of foundries in Iowa (all sizes)
- Only Midwest metal casting facility with full pilot plant capability- a way for Iowa companies to conduct full production pours and test casting improvements at the batch scale
- MCC is a leading supplier of management employees for the foundry industry. Foundry jobs are high paying jobs for Iowa



- MCC's technical resources and producing qualified graduates was part of the reason that three foundries have already or will shortly build new foundries in Iowa (ATEK, Nadicom, and a location to be disclosed for a MN based foundry). The first two foundries will bring 350 jobs to the state and help support dozens of supplier companies.
- Research to improve the efficiency of Iowa foundries - currently save \$25 million per year in production costs and \$35million in environmental compliance costs (source: Iowa Foundry Society)
- Developed a biobased binder to replace petroleum-based binders
- 50 new materials and processes have been developed to lower the costs of foundry environmental compliance

### **MyEntreNet - Impacts**

- MyEntre.Net is providing the background information and data for the proposed Iowa Innovation Council resource guidebook for entrepreneurs and is partnering with the IIC for an online referral and resource technology called Connections to be shared at MyEntre.Net and on the Innovation Council's website
- More than 9,500 small Iowa companies (averaging 3.6 employees) are currently engaged online – starting and expanding ventures and creating jobs
- Entrepreneurs are joining MyEntre.Net at a rate of 12-15 new members each day
- MyEntre.Net's extended online community has 1,200 Twitter followers, 500 Facebook followers and lively interaction in all areas of the network, including YouTube, where MyEntre.Net videos have been viewed 2,455 times.
- Between MyEntre.Net and the new capital resources at [www.DreamBigGrowHere.com](http://www.DreamBigGrowHere.com) nearly 100,000 visits were recorded in the past six months
- The Business Concierge- free business information, research and market intelligence services is now available to small business anywhere in the state of Iowa through a new *Click-Chat or Call* technology

